



## PREVENTIVE LAW SERIES

# VA MORTGAGE GUARANTEES



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### WHAT IS A VA LOAN GUARANTY?

The Department of Veterans Affairs (VA) will guaranty all or a portion of a loan used to buy or refinance a home. The VA guaranty benefits the borrower in two ways: the guaranty may help qualified veterans obtain a home loan with no down payment and also help the veteran acquire a more favorable interest rate.

### WHO IS ELIGIBLE?

VA loan guaranties are made to eligible service members, veterans, reservists and unremarried surviving spouses of veterans who died on active duty or as the result of a service-connected disability.

### WHAT ARE THE ADDITIONAL REQUIREMENTS?

Applicants must have a good credit rating, have an income sufficient to support mortgage payments, and agree to live in the property. Applicants must obtain a Certificate of Eligibility from the VA or a VA approved lender. You can apply for a Certificate of Eligibility by filling out a governmental form called the VA Form 26-1880, Request For a Certificate of Eligibility For Home Loan Benefits, available at <http://www.vba.va.gov/forms/vba-26-1880-care.pdf>. You should present this form, along with your military service documents, to a VA Eligibility Center. If you don't have proof of military service, it may be possible for the VA to establish this for you. However, it's best to have all documentation ready for quicker processing time.

Many lenders also have access to the Certificate of Eligibility, and through an internet system called ACE. They can quickly process your request and find out if you are eligible for a VA mortgage. If you choose to find out through your lender whether or not you can obtain a Certificate of Eligibility, it is necessary to have all proof of service records. Depending on circumstances, the VA may not be able to process your request through this method. The best way to find out is to ask your lender for more advice.

The guaranty can be used to: buy or build a house; buy a residential condominium; repair, alter, or improve a current home; refinance an existing home loan; buy a manufactured home with or without a lot; buy and improve a manufactured home lot; install solar heating, cooling systems or energy-efficient improvements.

### HOW DO I OBTAIN A VA GUARANTY?

Veterans obtain VA-guaranteed loans through private lending institutions, including banks, savings and loan associations, building and loan associations, and mortgage loan companies.

### RESOURCES

**Department of Veterans Affairs** Home Loans: (800) 827-1000; [www.homeloans.va.gov](http://www.homeloans.va.gov)

- *Federal Benefits for Veterans and Dependents* (2006), [www1.va.gov/OPA/vadocs/current\\_benefits.asp](http://www1.va.gov/OPA/vadocs/current_benefits.asp)
- CERTIFICATE OF ELIGIBILITY Form 26-1880: [www.vba.va.gov/pubs/forms/26-1880\(3-11\).pdf](http://www.vba.va.gov/pubs/forms/26-1880(3-11).pdf)

**California Department of Veterans Affairs:** (800) 952-5626; [www.cdva.ca.gov/calvet](http://www.cdva.ca.gov/calvet)